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Dairy and Products

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Approved by:
Andrew C. Burst, Agricultural Counselor
U.S.Embassy

Prepared by:
Mike Darby, Agricultural Specialist

Report Highlights:
Fluid milk production is forecast to decline slightly in 2003/04, despite a return to more normal weather conditions. Production and exports of butter, skim milk powder and whole milk powder are all expected to fall, while cheese production is expected to rise and exports are forecast unchanged in 2003/04.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Semi-Annual Report
Canberra [AS1]
[AS]

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SECTION ONE: SITUATION AND OUTLOOK

Executive Summary

Post forecasts one percent lower fluid milk production in marketing year 2003/04 (July-June), despite a return to more normal weather conditions following the severe drought the previous year. Although moisture conditions have improved markedly, some regions continue to suffer from the longer-term effects of the drought and dry weather continues to linger in some key producing areas.

Reduced supplies of fodder and irrigation water, and lower cow numbers, due to above average culling, are the longer-term consequences of drought that are a continuing constraint to milk production. The lower cow numbers are likely to take some time to rebuild and, thus, are expected to continue to limit milk production out beyond 2003/04.

Lower levels of fluid milk production are expected to reduce the supply of fluid milk for manufacturing purposes. Post anticipates production of butter, skim milk powder and whole milk powder will fall in 2003/04. Alternatively, production of cheese is expected to rise, in-line with the industry's year-to-date figures, as the higher relative prices of cheese favor its production over other dairy commodities.

Exports of butter, skim milk powder and whole milk powder are expected to fall in 2003/04. Lower supplies of fluid milk are expected to reduce production and export availabilities of these commodities. Cheese exports are expected to be unchanged in 2003/04. Relatively high world dairy prices, in U.S. dollar terms, are being partly offset by a stronger Australian dollar, which has trimmed local currency returns from exports. The high value of the local currency is expected to result in relatively strong domestic consumption for some dairy commodities.

The successful conclusion of the Australia-U.S. Free Trade Agreement negotiations and the pending implementation of the Australia-Thailand FTA have improved the long-term export outlook for the Australian dairy industry. As the majority of Australia's dairy commodities are exported, production increases over the past decade have created pressures for improved access to export markets.

General

In global terms, Australia is currently the world's tenth largest milk producer, accounting for approximately 2.3 percent of global production. Despite this ranking, Australia is a significant player in the international dairy trade, ranking as the second largest exporter of skim milk powder (SMP) and the third largest exporter of whole milk powder (WMP).

Australia's geographic proximity to Asian markets sees about two-thirds of dairy exports by value going to countries in this region. The United States is also an important dairy market, taking about five percent of Australia's total exports by value.

Within Australia, the dairy industry is the third largest agricultural industry, surpassed only by the wheat and beef industries, and accounts for about 11 percent of Australia's total agricultural value. Australia is considered to be a low cost producer by international standards. This is largely due to the pasture-based dairy production system employed.

Weather Conditions

The 2003/04 (July-June) dairy season has been negatively impacted by the drought that began in 2002/03. Despite a return to more normal weather conditions in many dairy regions, lingering drought conditions in some areas combined with the longer-term impacts of drought in other areas continues to constrain total milk production.

The 2003/04 season brought record grain production to Australia, as the general return to more normal weather conditions eased a feed grain supply shortage and dramatically improved pasture conditions in many major producing areas. However, in other areas the dry weather has lingered and producers are still facing reduced fodder supplies and irrigation water reserves. Lower dairy cow numbers are also constraining dairy production. With continued normal weather, Post anticipates that it will take until 2004/05 before cow numbers begin to move back to pre-drought levels.

The month of May 2004 brought some much-needed beneficial rainfall to Victoria, where most of Australia's milk production occurs. Parts of New South Wales and Western Australia also received good May rainfall. Of particular concern is the 2004/05 grain crop that is currently being planted. A lack of subsoil moisture in southern NSW and Victoria created difficult planting conditions in cropping regions that are situated adjacent to the majority of the dairy industry.

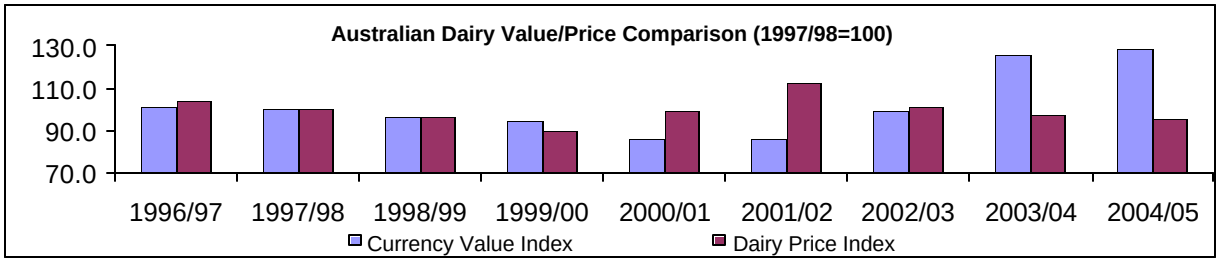
Prices

World market prices for butter, cheese and SMP have risen significantly over the past year, increasing on the order of 23 percent, 17 percent and 11 percent, respectively. These price movements have caused an increasing proportion of manufacturing milk supply to be routed to cheese production in 2003/04.

Australia's dairy industry is heavily influenced by movements in world dairy prices, due to the high proportion (60 percent) of manufactured dairy products that are exported. Traditionally, high world prices have a large and beneficial impact on the industry. However, increases in the value of the Australian dollar have acted to constrain these price increases in domestic currency terms.

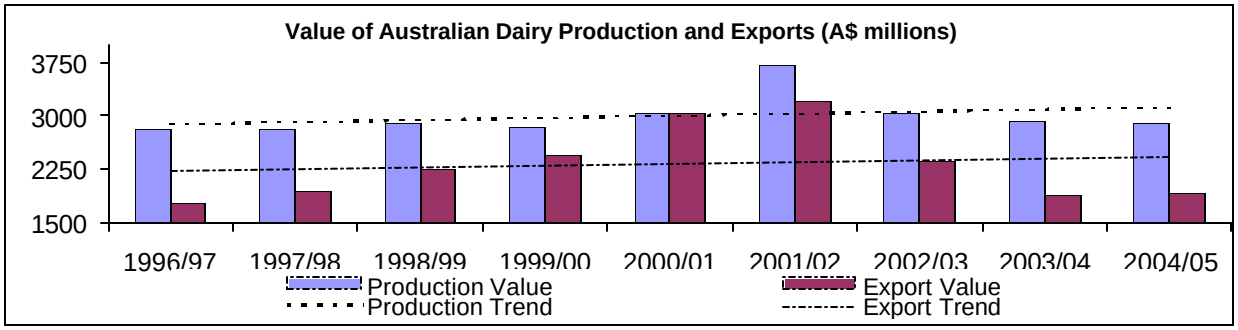
The Australian dollar is currently valued at about US$0.70, up about seven percent from the average of US$0.652 in 2003 and about 29 percent higher than the average of US$0.544 in

2002. The Australian dollar peaked at about US$0.80 in February 2004. Australia's competitiveness in world agricultural markets and returns to domestic producers are heavily impacted by the exchange rate of the Australian dollar. The graph below demonstrates the inverse relationship between the value of the Australian currency and domestic dairy prices. (Note: the graphs in this report use ABARE data, which may vary from Post's figures.)



Source: ABARE data (Currency Value expressed in A$/US$; Dairy Price is the weighted average nominal price in $A)

The graph below shows the value of Australian dairy production and exports over the past decade. Note the proportional increase in export value compared to production value in 2000/01, when the Australian currency reached its lows vis-à-vis the U.S. dollar.



Source: ABARE data

Policy

Australia-U.S. FTA: Australia has recently completed free trade agreement (FTA) negotiations with the United States. The FTA will provide immediate duty-free access for U.S. agricultural products exported to Australia, and will ultimately result in duty-free trade for all Australian agricultural exports to the United States, with the exception of certain dairy products and raw cane sugar.

The FTA provides for increased Australian dairy exports to the United States by expanding existing dairy quotas (TRQs), providing new dairy TRQs, and reducing in-quota tariffs to zero, down from the current levels of between three and six percent. Under the FTA, the above-quota U.S. tariffs for dairy TRQs will remain unchanged from their current levels.

The Australia-U.S. FTA has generated much public debate in Australia. The Australian sugar industry has complained vocally about the sugar provisions of the agreement. However, key farm industry bodies, including the National Farmers Federation, and peak bodies for dairy, beef, lamb/mutton and wool, generally support the agreement.

The United States consistently ranks in the top five export destinations for Australian cheese and casein.

Australia-Thailand FTA: Australia completed FTA negotiations with Thailand in October 2003, with the agreement expected to be implemented on January 1, 2005. Under the agreement, Thailand will immediately eliminate current tariffs on casein, infant formula and lactose; and phase out tariffs for butterfat, milk food, yogurt, dairy spreads and ice cream over five years. The Thai tariffs on cheese and butter will be eliminated over a 20-year period, the longest product tariff phase-out period in the FTA. Thailand will also provide Australia with immediate additional quotas for SMP of 2,200 MT, which will expand by 17 percent at five-year intervals for 20 years, when all tariffs will be eliminated. This quota will be in addition to Thailand's global WTO quota for SMP. Thailand will also provide Australia with additional quotas for liquid milk and cream.

ITC Investigation

In May 2003, the U.S. International Trade Commission received a request from the Senate Finance Committee to conduct an investigation regarding market conditions for milk protein concentrates (MPC), casein, and caseinate within the United States. This investigation was of keen interest to the Australian dairy industry, a key supplier of milk proteins to the United States.

The Commission's report, released in May 2004, found that imports of MPC, casein and caseinate might have displaced some U.S. produced milk proteins between 1998 and 2002. However, the Commission found that the high level of government intervention has affected the competitiveness of the U.S. dairy industry and that U.S. Government programs have created disincentives for the domestic production of MPC, casein and caseinates. The Commission noted significant support for dairy markets in the EU, but little government intervention in the dairy market in Australia.

Fluid Milk

Production

Australia's production of fluid milk in marketing year 2003/04 (July-June) is forecast at 10.5 million metric tons (MMT), down one percent from the previous year and in-line with figures from the Australian Bureau of Agriculture and Resource Economics (ABARE). This production level would equate to approximately 10.2 billion liters of milk, using a liquid-weight conversion factor of 1.03. Milk production figures reported by Dairy Australia (DA) for year-to-date for 2003/04 (July 2003 to March 2004) show a 3.6 percent decline from the same period in the previous year. Recent rain in key dairy regions, however, has industry sources anticipating improved dairy production prospects for the remainder of 2003/04.

The 2003/04 season continues to be negatively impacted by the drought that began the previous season. Despite a return to more normal weather conditions, reduced cattle numbers and sharply lower levels of irrigation water reserves are still acting to constrain production.

Estimated milk production for 2002/03 remains unchanged at 10,636 TMT, in-line with DA figures and roughly in-line with the most recent ABARE figures. The 2002/03 production level represents a sharp drop from the all-time record 11,608 TMT achieved in 2001/02.

Exports

Australia's exports of fluid milk in 2003/04 are forecast to fall five percent to 83,000 MT, in-line with DA's year-to-date figures showing a similar decline. Fluid milk exports for 2002/03, at 87,000 MT, are unchanged from Post's previous report (Dairy Products Annual Report #AS3046, 11/14/03.)

Australia exports minimal amounts of drinking milk, which according to DA is equivalent to around 4.5 percent of Australian fresh milk consumption. Approximately 80 percent of Australia's fresh milk exports are destined for Asia, and about 75 percent of total exports are UHT (long-life) products.

Imports

Imports of fluid milk are forecast to rise to 12,000 MT in 2003/04, about double the level of the previous year. Australian Bureau of Statistics (ABS) data indicates that most of these imports originate in New Zealand.

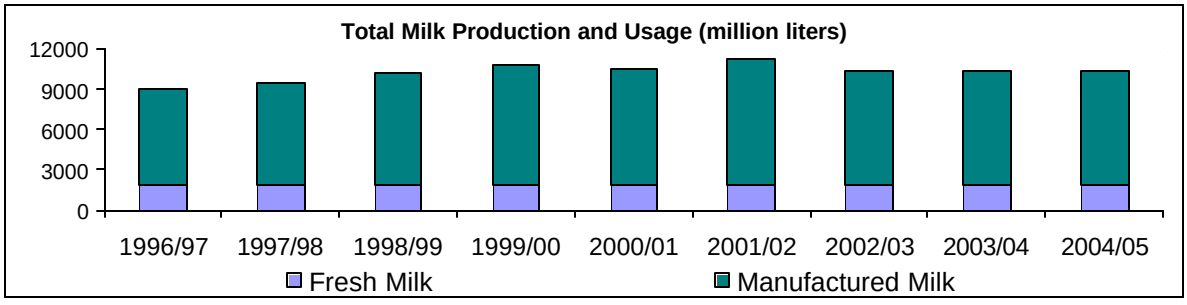
According to ABS statistics, dairy imports have historically made up less than one percent of total consumption.

Domestic Consumption

Fluid milk consumption in 2003/04 is forecast at 2,025 TMT, in-line with year-to-date DA figures showing a 2.2 percent increase. This increase in fluid milk consumption comes despite a long-term milk consumption trend that shows little increase over the past decade.

Post estimates fluid milk consumption in 2002/03 at 1,982 TMT, unchanged from the previous report and in-line with estimates published by DA.

Fluid milk produced in Australia is mostly used for manufacturing into dairy commodities and products. A relatively small proportion (around 20 percent) is consumed domestically as fresh milk. Official government statistics for fresh milk consumption have been unavailable since 1997/98. Post uses DA packaged milk sales figures to derive domestic consumption figures. These sales figures are believed to be reflective of fresh milk consumption levels.



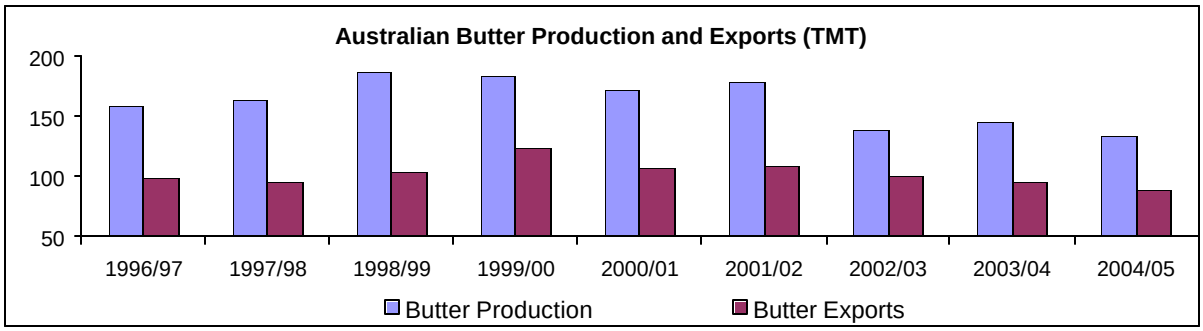
Source: ABARE data

Butter

Production

Total butter production in 2003/04 is forecast at 122,000 MT, down 18 percent from the 148,000 MT estimated for the previous year. Post's figures for butter production also include anhydrous milk fat (AMF), or butter oil. Post uses a conversion factor of 0.805 to convert AMF figures into butter equivalent. DA's year-to-date figures for 2003/04 show a three percent decline in butter production and a 26-percent drop in AMF production.

Butter production in 2002/03 has been revised downwards to 148,000 MT, in-line with DA estimates. Drought and reduced availability of manufacturing milk reduced butter production in 2002/03 and 2003/04 to historically low levels.



Source: ABARE data

Exports

Total exports of butter in 2003/04 are forecast at 81,000 MT, down 19 percent from the previous year and the lowest level in over a decade according to ABARE's historical data. DA's year-to-date 2003/04 figures show butter exports down 17 percent and AMF exports down 34 percent. The sharp drop in butter production is responsible for the expected export decline.

Butter exports for 2002/03 are estimated at 100,000 MT, in-line with DA estimates. This export level represents a downward revision from Post's previous estimate. The severe drought caused an even greater drop in exports than previously expected.

Imports

Australia imports relatively small amounts of butter, usually from New Zealand. Butter imports are forecast to increase from 7,000 MT in 2002/03 to 10,000 MT in 2003/04, in-line with ABS year-to-date data.

Domestic Consumption

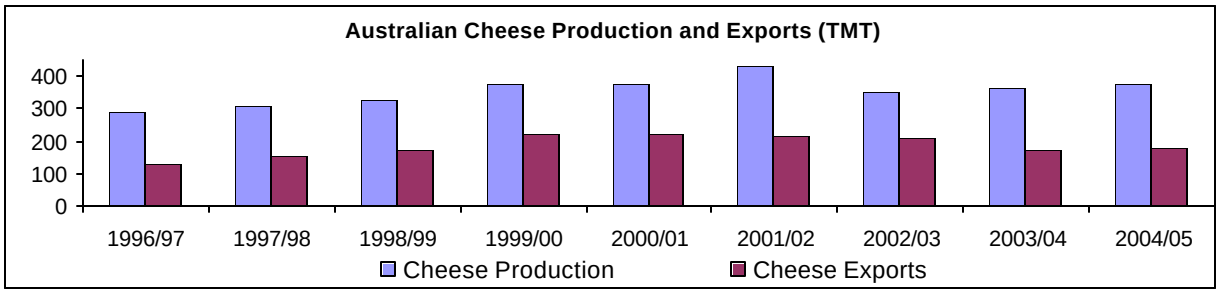
Official dairy consumption figures are unavailable. DA estimates domestic butter consumption at about three kilograms per capita per annum. Post forecasts butter consumption at 51,000 MT in 2003/04, up slightly from the 50,000 MT estimated for the previous year. Post anticipates that the relatively strong Australian dollar will act to constrain exports and increase availabilities for the domestic market.

Cheese

General

Historically, cheese production has been the largest manufactured dairy commodity. Cheese output on a tonnage basis is higher than SMP, WMP or butter and butter oil. As a commodity, cheese commands the highest price and so creates the most value for the industry.

Long-term trends show that around one-half of Australia's cheese production is exported and around half is consumed domestically. Cheddar is the most popular variety produced, accounting for around one-half of domestic cheese production. Australia also manufactures and exports a variety of specialty cheeses such as Blue Vein, Brie, Camembert and skim milk cheese, although these varieties totaled only 895 MT in 2001/02.



Source: ABARE data

Production

Total cheese production in 2003/04 is forecast at 381,000 MT, 3.5 percent higher than the previous year, despite the low fluid milk production level. DA's year-to-date figures show a four percent increase in production thus far in 2003/04. Higher world cheese prices have encouraged manufacturers to divert away from other dairy commodities to cheese production.

Cheese production in 2002/03 is estimated at 368,000 MT, unchanged from Post's previous report and in-line with DA estimates. This production level remains well below the record of 413,000 MT achieved in 2001/02.

Exports

Total cheese exports for 2003/04 are forecast at 208,000 MT, equal to estimated exports in the previous year. DA's year-to-date figures indicate an overall export increase of less than one percent. A stronger Australian dollar combined with reduced supplies of milk has constrained cheese exports during a period of improved world prices for cheese. However, cheese is the only dairy commodity/product that is not expected to experience significant export declines in 2003/04.

Post estimates cheese exports in 2002/03 at 208,000 MT, unchanged from the previous report. This figure represents a decline from the relatively high cheese export levels experienced over the previous three years.

Imports

Total cheese imports are forecast at 49,000 MT, down slightly from the 51,000 MT estimated for the previous year and in-line with year-to-date ABS data. According to DA reports, the vast majority of imported cheese is from New Zealand. DA also estimates that imported cheese accounts for about 25 percent of domestic sales.

Domestic Consumption

Cheese consumption is forecast at 225,000 MT in 2003/04, in-line with DA's year-to-date figures and down slightly from the previous year. Higher export prices and continued strong export demand are largely responsible for the drop in domestic consumption.

Official statistics for cheese consumption are unavailable. According to DA reports, average annual per capita consumption of cheese is estimated at around 12 kilograms per annum.

Skim Milk Powder

General

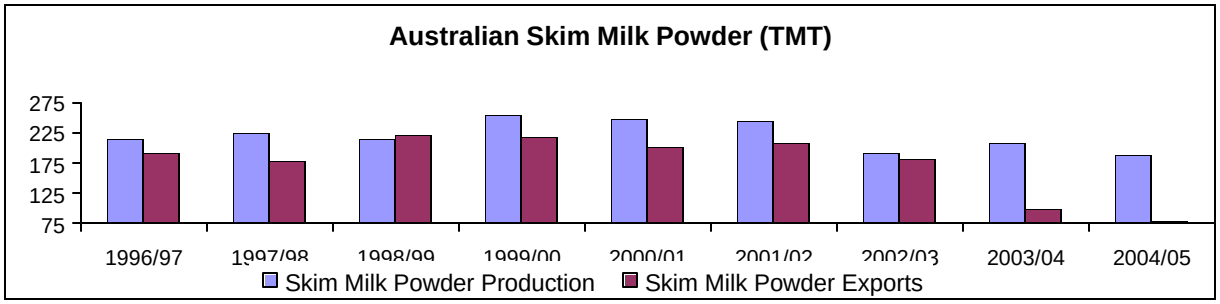
Production of skim milk powder (SMP) has increased rapidly over the past decade, principally driven by advances in manufacturing technology, according to industry reports. The majority of Australia's SMP is exported, with a smaller proportion consumed domestically. Only a small proportion of domestic sales are sold through retail outlets, with the vast majority destined for the food processing sector.

SMP figures include small amounts of butter milk powder (BMP).

Production

Total SMP production for 2003/04 is forecast at 178,000 MT, down 15 percent from the estimate for the previous year. DA's year-to-date figures show SMP production to have fallen nearly five percent and BMP production to have fallen seven percent. Furthermore, monthly figures show sharper declines toward the end of the year-to-date period.

SMP production in 2002/03 is estimated at 209,000 MT, down slightly from the figure reported in Post's previous report. A sharper than expected decline in fluid milk production due to the drought is responsible for the difference.



Source: ABARE data

Exports

Total SMP exports are forecast to fall 22 percent in 2003/04 to 141,000 MT, more-or-less in-line with DA's year-to-date figures showing a 28 percent decline from the previous comparable period. Lower production levels of SMP combined with a stronger Australian dollar are significantly impacting exports, despite strong export demand.

Imports

SMP imports are forecast at 3,000 MT in 2003/04, down from the 4,000 MT in the previous year and in-line with year-to-date ABS figures.

Domestic Consumption

Total domestic SMP consumption for 2003/04 is forecast at 35,000 MT, unchanged from the estimate for the previous year. Official statistics for SMP consumption are unavailable. Post derives consumption figures using production and net exports.

Whole Milk Powder

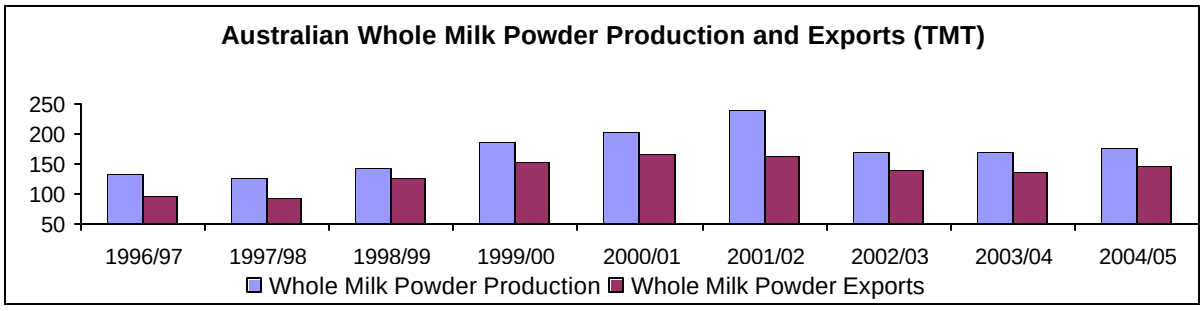
General

Production of whole milk powder (WMP) has expanded rapidly over the past decade with improvements in manufacturing technology. According to industry reports, production growth of WMP has surpassed that of SMP over the past decade. As a result, exports of WMP have grown proportionally to that for SMP.

Production

WMP production in 2003/04 is forecast at 161,000 MT, down five percent from the previous year and in-line with the decline indicated by DA's year-to-date data. The drop in production is due mostly to the reduction in fluid milk supply.

WMP production for 2002/03 is estimated at 169,000 MT, down from the figure in Post's previous report. This figure is in-line with recently released DA figures.



Source: ABARE data

Exports

Total exports of WMP in 2003/04 are forecast at 137,000 MT, down four percent from the previous year and in-line with the decline in forecast production. DA's year-to-date figures

show a larger drop in exports; however, Post anticipates better export performance in the final quarter of the 2003/04 marketing year.

Imports

WMP imports in 2003/04 are forecast at 4,000 MT, down from the 10,000 MT imported in the previous year. Long-term trends suggest imports are likely to remain at relatively low levels in the medium term.

Domestic Consumption

Total domestic consumption of WMP is forecast at 28,000 MT in 2003/04. Official consumption figures are unavailable for WMP. Post uses a consumption figure that is derived from production and net exports. Post anticipates that the stronger Australian dollar will constrain exports and increase the availability of WMP for domestic consumption.

Domestic WMP consumption in 2002/03 is estimated at 26,000 MT, up from the number in Post's previous report.

SECTION TWO: STATISTICAL TABLES

PS&D Table – Fluid Milk

Australia Dairy, Milk, Fluid							
	2002	Revised	2003	Estimate	2004	Forecast	*UOM*
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2001		07/2002		07/2003	*MM/YYYY*
Cows In Milk	2369	2369	2298	2298	2311	2298	*(1000 HEAD)*
Cows Milk Production	11608	11608	10636	10636	10753	10500	*(1000 MT)*
Other Milk Production	0	0	0	0	0	0	*(1000 MT)*
TOTAL Production	11608	11608	10636	10636	10753	10500	*(1000 MT)*
Intra EC Imports	0	0	0	0	0	0	*(1000 MT)*
Total Imports	3	3	6	6	6	12	*(1000 MT)*
TOTAL Imports	3	3	6	6	6	12	*(1000 MT)*
TOTAL SUPPLY	11611	11611	10642	10642	10759	10512	*(1000 MT)*
Intra EC Exports	0	0	0	0	0	0	*(1000 MT)*
Total Exports	87	87	87	87	87	83	*(1000 MT)*
TOTAL Exports	87	87	87	87	87	83	*(1000 MT)*
Fluid Use Dom. Consum.	1966	1966	1982	1982	1981	2025	*(1000 MT)*
Factory Use Consum.	9558	9558	8573	8573	8691	8404	*(1000 MT)*
Feed Use Dom. Consum.	0	0	0	0	0	0	*(1000 MT)*
TOTAL Dom. Consumption	11524	11524	10555	10555	10672	10429	*(1000 MT)*
TOTAL DISTRIBUTION	11611	11611	10642	10642	10759	10512	*(1000 MT)*
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	*(1000 MT)*
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0	*(1000 MT)*

Import Trade Matrix – Fluid Milk

Australia Dairy, Milk, Fluid			
Time Period	**Jan - Dec**	**Units:**	**MT**
Imports for:	**2002**		**2003**
U.S.	0	U.S.	0
Others		Others	
New Zealand	2663	New Zealand	4886
		Singapore	20
		Czech Republic	7
Total for Others	**2663**		**4913**
Others not Listed	20		58
Grand Total	**2683**		**4971**

Export Trade Matrix – Fluid Milk

Australia Dairy, Milk, Fluid			
Time Period	**Jan - Dec**	**Units:**	**MT**
Exports for:	**2002**		**2003**
U.S.	53	U.S.	4
Others		Others	
Singapore	22050	Singapore	23226
Hong Kong	18330	Hong Kong	15963
Philippines	10589	Philippines	6111
American Samoa	4140	Malaysia	4045
Malaysia	3775	American Samoa	3627
Papua New Guinea	2890	Taiwan	3584
China	2435	New Zealand	3042
Vietnam	2365	Papua New Guinea	2394
Taiwan	1913	Vietnam	2350
Indonesia	1802	Indonesia	2092
Total for Others	**70290**		**66433**
Others not Listed	7921		9365
Grand Total	**78264**		**75802**

PS&D Table - Butter

Australia Dairy, Butter							
	2002	Revised	2003	Estimate	2004	Forecast	*UOM*
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2001		07/2002		07/2003	*MM/YYYY*
Beginning Stocks	6	6	2	2	2	2	*(1000 MT)*
Production	164	164	155	148	161	122	*(1000 MT)*
Intra EC Imports	0	0	0	0	0	0	*(1000 MT)*
Total Imports	7	7	7	7	7	10	*(1000 MT)*
TOTAL Imports	7	7	7	7	7	10	*(1000 MT)*
TOTAL SUPPLY	177	177	164	157	170	134	*(1000 MT)*
Intra EC Exports	0	0	0	0	0	0	*(1000 MT)*
Total Exports	125	125	112	100	118	81	*(1000 MT)*
TOTAL Exports	125	125	112	100	118	81	*(1000 MT)*
Domestic Consumption	50	50	50	55	50	51	*(1000 MT)*
TOTAL Use	175	175	162	155	168	132	*(1000 MT)*
Ending Stocks	2	2	2	2	2	2	*(1000 MT)*
TOTAL DISTRIBUTION	177	177	164	157	170	134	*(1000 MT)*
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	*(1000 MT)*
Calendar Yr. Exp. to U.S.	6	6	5	6	5	7	*(1000 MT)*

Import Trade Matrix - Butter

Australia Dairy, Butter			
Time Period	**Jan - Dec**	**Units:**	**MT**
Imports for:	**2002**		**2003**
U.S.	75	U.S.	48
Others		Others	
New Zealand	5908	New Zealand	8179
Switzerland	20	Denmark	24
Denmark	17	France	16
France	11	India	2
India	3	Singapore	2
Lebanon	1	Netherlands	2
		Philippines	1
		Egypt	1
		Vietnam	1
Total for Others	**5960**		**8228**
Others not Listed	74		81
Grand Total	**6109**		**8357**

Export Trade Matrix - Butter

Australia Dairy, Butter			
Time Period	**Jan - Dec**	**Units:**	**MT**
Exports for:	**2002**		**2003**
U.S.	6139	U.S.	2063
Others		Others	
Egypt	13693	Singapore	6269
Thailand	7118	Korea South	5957
Singapore	6856	Thailand	4961
Saudi Arabia	6611	Russia	4783
Korea South	5800	Egypt	4698
Mexico	5306	Saudi Arabia	4424
Malaysia	4507	Malaysia	4181
Indonesia	4349	Mexico	3532
Taiwan	3604	Hong Kong	3386
United Arab Emirates	3213	Taiwan	3206
Total for Others	**61057**		**45397**
Others not Listed	44107		33324
Grand Total	**111303**		**80784**

PS&D Table - Cheese

Australia Dairy, Cheese							
	2002	Revised	2003	Estimate	2004	Forecast	*UOM*
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2001		07/2002		07/2003	*MM/YYYY*
Beginning Stocks	58	58	73	73	47	47	*(1000 MT)*
Production	413	413	368	368	360	381	*(1000 MT)*
Intra EC Imports	0	0	0	0	0	0	*(1000 MT)*
Total Imports	45	45	51	51	50	49	*(1000 MT)*
TOTAL Imports	45	45	51	51	50	49	*(1000 MT)*
TOTAL SUPPLY	516	516	492	492	457	477	*(1000 MT)*
Intra EC Exports	0	0	0	0	0	0	*(1000 MT)*
Total Exports	218	218	208	208	184	208	*(1000 MT)*
TOTAL Exports	218	218	208	208	184	208	*(1000 MT)*
Human Dom. Consumption	225	225	237	237	235	225	*(1000 MT)*
Other Use, Losses	0	0	0	0	0	0	*(1000 MT)*
Total Dom. Consumption	225	225	237	237	235	225	*(1000 MT)*
TOTAL Use	443	443	445	445	419	433	*(1000 MT)*
Ending Stocks	73	73	47	47	38	44	*(1000 MT)*
TOTAL DISTRIBUTION	516	516	492	492	457	477	*(1000 MT)*
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	*(1000 MT)*
Calendar Yr. Exp. to U.S.	9	9	9	11	9	13	*(1000 MT)*

Import Trade Matrix – Cheese

Australia Dairy, Cheese			
Time Period	**Jan - Dec**	**Units:**	**MT**
Imports for:	**2002**		**2003**
U.S.	11	U.S.	13
Others		Others	
New Zealand	36024	New Zealand	35957
Italy	1902	Denmark	1967
Norway	1470	Italy	1773
Denmark	1399	Norway	1569
Greece	1119	Bulgaria	1362
Bulgaria	1045	Greece	1093
Netherlands	957	Netherlands	904
France	819	France	816
Germany	460	Germany	446
United Kingdom	155	United Kingdom	151
Total for Others	**45350**		**46038**
Others not Listed	572		1869
Grand Total	**45933**		**47920**

Export Trade Matrix – Cheese

Australia Dairy, Cheese			
Time Period	**Jan - Dec**	**Units:**	**MT**
Exports for:	**2002**		**2003**
U.S.	9198	U.S.	9740
Others		Others	
Japan	86194	Japan	82697
Saudi Arabia	16241	Netherlands	20414
Netherlands	14257	Saudi Arabia	15498
Korea South	13368	Korea South	15381
Indonesia	6673	Taiwan	5681
Algeria	5499	Indonesia	4721
Philippines	4903	Algeria	4665
United Kingdom	4183	Philippines	4405
Taiwan	3697	Hong Kong	3959
Malta	3636	Malta	3684
Total for Others	**158651**		**161105**
Others not Listed	39111		38422
Grand Total	**206960**		**209267**

PS&D Table – Skim Milk Powder

Australia Dairy, Milk, Nonfat Dry							
	2002	Revised	2003	Estimate	2004	Forecast	*UOM*
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2001		07/2002		07/2003	*MM/YYYY*
Beginning Stocks	18	18	16	16	6	13	*(1000 MT)*
Production	261	261	215	209	223	178	*(1000 MT)*
Intra EC Imports	0	0	0	0	0	0	*(1000 MT)*
Total Imports	3	3	4	4	4	3	*(1000 MT)*
TOTAL Imports	3	3	4	4	4	3	*(1000 MT)*
TOTAL SUPPLY	282	282	235	229	233	194	*(1000 MT)*
Intra EC Exports	0	0	0	0	0	0	*(1000 MT)*
Total Exports	231	231	199	181	190	141	*(1000 MT)*
TOTAL Exports	231	231	199	181	190	141	*(1000 MT)*
Human Dom. Consumption	35	35	30	35	30	35	*(1000 MT)*
Other Use, Losses	0	0	0	0	0	0	*(1000 MT)*
Total Dom. Consumption	35	35	30	35	30	35	*(1000 MT)*
TOTAL Use	266	266	229	216	220	176	*(1000 MT)*
Ending Stocks	16	16	6	13	13	18	*(1000 MT)*
TOTAL DISTRIBUTION	282	282	235	229	233	194	*(1000 MT)*
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	*(1000 MT)*
Calendar Yr. Exp. to U.S.	1	1	1	1	0	0	*(1000 MT)*

Import Trade Matrix – Skim Milk Powder

Australia Dairy, Milk, Nonfat Dry			
Time Period	**Jan - Dec**	**Units:**	**MT**
Imports for:	**2002**		**2003**
U.S.	0	U.S.	1
Others		Others	
New Zealand	1230	New Zealand	3604
France	19	France	38
Korea South	4	Japan	18
Taiwan	1	Korea South	8
		Taiwan	3
Total for Others	**1254**		**3671**
Others not Listed	114		456
Grand Total	**1368**		**4128**

Export Trade Matrix – Skim Milk Powder

Australia Dairy, Milk, Nonfat Dry			
Time Period	**Jan - Dec**	**Units:**	**MT**
Exports for:	**2002**		**2003**
U.S.	1215	U.S.	53
Others		Others	
Philippines	43858	Malaysia	21060
Malaysia	28844	Philippines	16375
Thailand	26674	Singapore	13898
Indonesia	20553	Japan	11905
Singapore	19496	Indonesia	10870
Japan	15193	Taiwan	9329
Mexico	12895	China	6964
China	12331	Thailand	6926
Taiwan	11539	Saudi Arabia	5078
Saudi Arabia	9953	Mexico	4027
Total for Others	**201336**		**106432**
Others not Listed	39249		27509
Grand Total	**241800**		**133994**

PS&D Table – Whole Milk Powder

Australia Dairy, Dry Whole Milk Powder							
	2002	Revised	2003	Estimate	2004	Forecast	*UOM*
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2001		07/2002		07/2003	*MM/YYYY*
Beginning Stocks	10	10	15	15	3	26	*(1000 MT)*
Production	239	239	188	169	190	161	*(1000 MT)*
Intra EC Imports	0	0	0	0	0	0	*(1000 MT)*
Total Imports	3	3	4	10	4	4	*(1000 MT)*
TOTAL Imports	3	3	4	10	4	4	*(1000 MT)*
TOTAL SUPPLY	252	252	207	194	197	191	*(1000 MT)*
Intra EC Exports	0	0	0	0	0	0	*(1000 MT)*
Total Exports	213	213	182	142	172	137	*(1000 MT)*
TOTAL Exports	213	213	182	142	172	137	*(1000 MT)*
Human Dom. Consumption	24	24	22	26	20	28	*(1000 MT)*
Other Use, Losses	0	0	0	0	0	0	*(1000 MT)*
Total Dom. Consumption	24	24	22	26	20	28	*(1000 MT)*
TOTAL Use	237	237	204	168	192	165	*(1000 MT)*
Ending Stocks	15	15	3	26	5	26	*(1000 MT)*
TOTAL DISTRIBUTION	252	252	207	194	197	191	*(1000 MT)*
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0	*(1000 MT)*
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0	*(1000 MT)*

Import Trade Matrix – Whole Milk Powder

Australia Dairy, Dry Whole Milk Powder			
Time Period	**Jan - Dec**	**Units:**	**MT**
Imports for:	**2002**		**2003**
U.S.	6	U.S.	8
Others		Others	
New Zealand	5464	New Zealand	9504
Netherlands	224	Vietnam	117
Finland	126	Netherlands	96
France	78	Singapore	88
Japan	64	France	60
Canada	46	Canada	46
Indonesia	21	Japan	37
Singapore	19	Finland	34
Korea South	4	Korea South	8
Taiwan	3	Taiwan	3
Total for Others	**6049**		**9993**
Others not Listed	213		904
Grand Total	**6262**		**10897**

Export Trade Matrix – Whole Milk Powder

Australia Dairy, Dry Whole Milk Powder			
Time Period	**Jan - Dec**	**Units:**	**MT**
Exports for:	**2002**		**2003**
U.S.	57	U.S.	80
Others		Others	
China	22212	Sri Lanka	12350
Sri Lanka	19982	Taiwan	11668
Indonesia	19768	Indonesia	9447
Taiwan	13432	Singapore	8872
Singapore	11612	Malaysia	8621
Oman	9158	Bangladesh	7562
Malaysia	8893	China	7524
Bangladesh	8835	Oman	7328
Thailand	8382	Mauritius	6034
Nigeria	7304	Vietnam	5653
Total for Others	**129578**		**85059**
Others not Listed	54377		31859
Grand Total	**184012**		**116998**